



# House of Representatives

## File No. 895

General Assembly

January Session, 2011

**(Reprint of File Nos. 177 and 785)**

Substitute House Bill No. 6050  
As Amended by House  
Amendment Schedule "A"

Approved by the Legislative Commissioner  
June 3, 2011

### **AN ACT CONCERNING THE DEVELOPMENT OF THE CREATIVE ECONOMY.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective from passage*) (a) For purposes of this  
2       section:

3       (1) "Creative economy" (A) means the result of financial transactions  
4       involving creative products, including creatively derived goods or  
5       services that have economic value, and (B) consists of a creative sector,  
6       a creative workforce and a creative community;

7       (2) "Creative sector" (A) means a grouping of individuals or  
8       enterprises that directly or indirectly produce or provide creatively  
9       derived goods or services, and (B) includes advertising, architecture,  
10      art, crafts, design, fashion, film, music, performing arts, publishing,  
11      research and development, software, toys and games, television and  
12      radio, and video games;

13      (3) "Creative workforce" includes any person who creates or invents



14 something new, whether or not such person is employed by a creative  
15 sector; and

16 (4) "Creative community" means a geographic area with a  
17 concentration of creative workers or businesses in creative sectors.

18 (b) The Connecticut Commission on Culture and Tourism shall (1)  
19 perform an economic analysis of the creative economy in this state; (2)  
20 analyze methods by which to brand this state as a leader in the creative  
21 economy; (3) examine the economic force of the creative sectors in this  
22 state; (4) attempt to foster and demonstrate the creative sectors,  
23 creative workforce and creative communities and their ability to attract  
24 economic activity to this state; (5) develop education and career paths  
25 for the creative workforce in this state; and (6) explore methods by  
26 which to expand the creative sectors, creative workforce and creative  
27 communities in order to improve the creative economy and create  
28 more jobs in this state.

29 (c) Not later than February 1, 2012, the commission shall submit a  
30 report on its findings and recommendations to the joint standing  
31 committees of the General Assembly having cognizance of matters  
32 relating to higher education and employment advancement and  
33 commerce, in accordance with the provisions of section 11-4a of the  
34 general statutes.

35 Sec. 2. Section 32-4e of the general statutes is repealed and the  
36 following is substituted in lieu thereof (*Effective October 1, 2011*):

37 (a) As used in sections 32-4f to 32-4h, inclusive, "economic cluster"  
38 means a grouping of industries linked together through customer,  
39 supplier or other relationships.

40 (b) As used in sections 32-1m, as amended by this act, and 32-1o, as  
41 amended by this act, "creative sector" (1) means a grouping of  
42 individuals or enterprises that directly or indirectly produce or  
43 provide creatively derived goods or services, and (2) includes  
44 advertising, architecture, art, crafts, design, fashion, film, music,



45 performing arts, publishing, research and development, software, toys  
46 and games, television and radio, and video games.

47 Sec. 3. Subsection (a) of section 32-1m of the general statutes is  
48 repealed and the following is substituted in lieu thereof (*Effective*  
49 *October 1, 2011*):

50 (a) Not later than February 1, 2006, and annually thereafter, the  
51 Commissioner of Economic and Community Development shall  
52 submit a report to the Governor and the General Assembly, in  
53 accordance with the provisions of section 11-4a. Not later than thirty  
54 days after submission of the report to the Governor and the General  
55 Assembly, said commissioner shall post the report on the Department  
56 of Economic and Community Development's web site. Said report  
57 shall include, but not be limited to, the following information with  
58 regard to the activities of the Department of Economic and  
59 Community Development during the preceding state fiscal year:

60 (1) A brief description and assessment of the state's economy during  
61 such year, utilizing the most recent and reasonably available data, and  
62 including:

63 (A) Connecticut employment by industry;

64 (B) Connecticut and national average unemployment;

65 (C) Connecticut gross state product, by industry;

66 (D) Connecticut productivity, by industry, compared to the national  
67 average;

68 (E) Connecticut manufacturing activity;

69 (F) Identification of economic and competitive conditions affecting  
70 Connecticut's industry sectors, problems resulting from these  
71 conditions and state efforts to address the problems;

72 (G) A brief summary of Connecticut's competitiveness as a place for



73 business, which shall include, but not be limited to, an evaluation of (i)  
74 how the programs and policies of state government affect the state  
75 economy and state business environment, (ii) the ability of the state to  
76 retain and attract businesses, (iii) the steps taken by other states to  
77 improve the competitiveness of such states as places for business, and  
78 (iv) programs and policies the state could implement to improve the  
79 competitiveness of the state in order to encourage economic growth;  
80 and

81 (H) Any other economic information that the commissioner deems  
82 appropriate.

83 (2) A statement of the department's economic and community  
84 development objectives, measures of program success and standards  
85 for granting financial and nonfinancial assistance under programs  
86 administered by the department.

87 (3) An analysis of the economic development portfolio of the  
88 department, including:

89 (A) A list of the names, addresses and locations of all recipients of  
90 the department's assistance;

91 (B) The following information concerning each recipient of such  
92 assistance: (i) Business activities, (ii) standard industrial classification  
93 codes or North American industrial classification codes, (iii) number of  
94 full-time jobs and part-time jobs at the time of application, (iv) number  
95 of actual full-time jobs and actual part-time jobs during the preceding  
96 state fiscal year, (v) whether the recipient is a minority or woman-  
97 owned business, (vi) a summary of the terms and conditions for the  
98 assistance, including the type and amount of state financial assistance,  
99 job creation or retention requirements and anticipated wage rates, (vii)  
100 the amount of investments from private and other nonstate sources  
101 that have been leveraged by the assistance, (viii) the extent to which  
102 employees of the recipient participate in health benefit plans offered  
103 by such recipient, (ix) the extent to which the recipient offers unique  
104 economic, social, cultural or aesthetic attributes to the municipality in



105 which the recipient is located or to the state, and (x) the amount of  
106 state investment;

107 (C) A portfolio analysis, including (i) an analysis of the wages paid  
108 by recipients of financial assistance, (ii) the average portfolio wage,  
109 median portfolio wage, highest and lowest portfolio wage, (iii)  
110 portfolio wage data by industry, and (iv) portfolio wage data by  
111 municipality;

112 (D) An investment analysis, including (i) total portfolio value, (ii)  
113 total investment by industry, (iii) portfolio dollar per job average, (iv)  
114 portfolio leverage ratio, and (v) percentage of financial assistance  
115 which was provided to high performance work organizations in the  
116 preceding state fiscal year; and

117 (E) An analysis of the estimated economic effects of the  
118 department's economic development investments on the state's  
119 economy, including (i) contribution to gross state product for the total  
120 economic development portfolio and for any investment activity  
121 occurring in the preceding state fiscal year, (ii) direct and indirect  
122 employment created by the investments for the total portfolio and for  
123 any investment activity occurring in the preceding state fiscal year, (iii)  
124 productivity of recipients of financial assistance as a result of the  
125 department's investment occurring in the preceding state fiscal year,  
126 (iv) directly or indirectly increased property values in the  
127 municipalities in which the recipients of assistance are located, and (v)  
128 personal income.

129 (4) An analysis of the community development portfolio of the  
130 department, including:

131 (A) A list of the names, addresses and locations of all recipients of  
132 the department's assistance;

133 (B) The following information concerning each recipient of such  
134 assistance: (i) Amount of state investment, (ii) a summary of the terms  
135 and conditions for the department's assistance, including the type and



136 amount of state financial assistance, and (iii) the amount of  
137 investments from private and other nonstate sources that have been  
138 leveraged by such assistance;

139 (C) An investment analysis, including (i) total active portfolio value,  
140 (ii) total investments made in the preceding state fiscal year, (iii) total  
141 portfolio by municipality, (iv) total investments made in the preceding  
142 state fiscal year categorized by municipality, (v) total portfolio  
143 leverage ratio, and (vi) leverage ratio of the total investments made in  
144 the preceding state fiscal year; and

145 (D) An analysis of the estimated economic effects of the  
146 department's economic development investments on the state's  
147 economy, including (i) contribution to gross state product for the total  
148 portfolio and for any investment activity occurring in the preceding  
149 state fiscal year, (ii) direct and indirect employment created by the  
150 investments for the total portfolio and for any investment activity  
151 occurring in the preceding state fiscal year, (iii) productivity of  
152 recipients of financial assistance as a result of the department's  
153 investment occurring in the preceding state fiscal year, (iv) directly or  
154 indirectly increased property values in the municipalities in which the  
155 recipients are located, and (v) personal income.

156 (5) A summary of the department's economic and community  
157 development marketing efforts in the preceding state fiscal year, a  
158 summary of the department's business recruitment strategies and  
159 activities in such year, and a summary of the department's efforts to  
160 assist small businesses and minority business enterprises in such year.

161 (6) A summary of the department's international trade efforts in the  
162 preceding state fiscal year, and, to the extent possible, a summary of  
163 foreign direct investment that occurred in the state in such year.

164 (7) Identification of existing economic clusters and creative sectors,  
165 as defined in section 32-4e, as amended by this act, the formation of  
166 new economic clusters and creative sectors, the measures taken by the  
167 commissioner during the preceding state fiscal year to encourage the



168 growth of economic clusters and creative sectors, and the amount of  
169 bond funds expended by the department during the previous fiscal  
170 year on each economic cluster.

171 (8) (A) A summary of the department's brownfield-related efforts  
172 and activities within the Office of Brownfield Remediation and  
173 Development established pursuant to subsections (a) to (f), inclusive,  
174 of section 32-9cc in the preceding state fiscal year, except for activity  
175 under the Special Contaminated Property Remediation and Insurance  
176 Fund program. Such efforts shall include, but not be limited to, (i) total  
177 portfolio investment in brownfield remediation projects, (ii) total  
178 investment in brownfield remediation projects in the preceding state  
179 fiscal year, (iii) total number of brownfield remediation projects, (iv)  
180 total number of brownfield remediation projects in the preceding state  
181 fiscal year, (v) total of reclaimed and remediated acreage, (vi) total of  
182 reclaimed and remediated acreage in the preceding state fiscal year,  
183 (vii) leverage ratio for the total portfolio investment in brownfield  
184 remediation projects, and (viii) leverage ratio for the total portfolio  
185 investment in brownfield remediation projects in the preceding state  
186 fiscal year. Such summary shall include a list of such brownfield  
187 remediation projects and, for each such project, the name of the  
188 developer and the location by street address and municipality and a  
189 tracking of all funds administered through or by said office;

190 (B) A summary of the department's efforts with regard to the  
191 Special Contaminated Property Remediation and Insurance Fund,  
192 including, but not limited to, (i) the number of applications received in  
193 the preceding state fiscal year, (ii) the number and amounts of loans  
194 made in such year, (iii) the names of the applicants for such loans, (iv)  
195 the average time period between submission of application and the  
196 decision to grant or deny the loan, (v) a list of the applications  
197 approved and the applications denied and the reasons for such  
198 denials, and (vi) for each project, the location by street address and  
199 municipality; and

200 (C) A summary of the department's efforts with regard to the dry



201 cleaning grant program, established pursuant to section 12-263m,  
202 including, but not limited to, (i) information as to the number of  
203 applications received, (ii) the number and amounts of grants made  
204 since the inception of the program, (iii) the names of the applicants,  
205 (iv) the time period between submission of application and the  
206 decision to grant or deny the loan, (v) which applications were  
207 approved and which applications were denied and the reasons for any  
208 denials, and (vi) a recommendation as to whether the surcharge and  
209 grant program established pursuant to section 12-263m should  
210 continue.

211 (9) The following information concerning enterprise zones  
212 designated under section 32-70:

213 (A) A statement of the current goals for enterprise zones;

214 (B) A statement of the current performance standards to measure  
215 the progress of municipalities that have enterprise zones in attaining  
216 the goals for such zones;

217 (C) A report from each municipality that has an enterprise zone,  
218 which evaluates the progress of the municipality in meeting the  
219 performance standards established under section 32-70a; and

220 (D) An assessment of the performance of each enterprise zone based  
221 on information collected under subparagraph (C) of this subdivision.

222 (10) With regard to the grant program designated pursuant to  
223 sections 32-324a to 32-324e, inclusive, an assessment of program  
224 performance.

225 (11) With regard to the fuel diversification program designated  
226 pursuant to section 32-324g, an assessment of program performance.

227 (12) With regard to the department's housing-development-related  
228 functions and activities:

229 (A) A brief description and assessment of the state's housing market



230 during the preceding state fiscal year, utilizing the most recent and  
231 reasonably available data, and including, but not limited to, (i) a brief  
232 description of the significant characteristics of such market, including  
233 supply, demand and condition and cost of housing, and (ii) any other  
234 information that the commissioner deems appropriate;

235 (B) A comprehensive assessment of current and future needs for  
236 rental assistance under section 8-119kk for housing projects for the  
237 elderly and disabled, in consultation with the Connecticut Housing  
238 Finance Authority;

239 (C) An analysis of the progress of the public and private sectors  
240 toward meeting housing needs in the state, using building permit data  
241 from the United States Census Bureau and demolition data from  
242 Connecticut municipalities;

243 (D) A list of municipalities that meet the affordable housing criteria  
244 set forth in subsection (k) of section 8-30g, pursuant to regulations that  
245 the Commissioner of Economic and Community Development shall  
246 adopt pursuant to the provisions of chapter 54. For the purpose of  
247 determining the percentage required by subsection (k) of said section  
248 8-30g, the commissioner shall use as the denominator the number of  
249 dwelling units in the municipality, as reported in the most recent  
250 United States decennial census; and

251 (E) A statement of the department's housing development  
252 objectives, measures of program success and standards for granting  
253 financial and nonfinancial assistance under programs administered by  
254 said commissioner.

255 (13) A presentation of the state-funded housing development  
256 portfolio of the department, including:

257 (A) A list of the names, addresses and locations of all recipients of  
258 such assistance; and

259 (B) For each such recipient, (i) a summary of the terms and



260 conditions for the assistance, including the type and amount of state  
261 financial assistance, (ii) the amount of investments from private and  
262 other nonstate sources that have been leveraged by the assistance, (iii)  
263 the number of new units to be created and the number of units to be  
264 preserved at the time of the application, and (iv) the number of actual  
265 new units created and number of units preserved.

266 (14) An analysis of the state-funded housing development portfolio  
267 of the department, including:

268 (A) An investment analysis, including the (i) total active portfolio  
269 value, (ii) total investment made in the preceding state fiscal year, (iii)  
270 portfolio dollar per new unit created, (iv) estimated dollars per new  
271 unit created for projects receiving an assistance award in the preceding  
272 state fiscal year, (v) portfolio dollars per unit preserved, (vi) estimated  
273 dollar per unit preserved for projects receiving an assistance award in  
274 the preceding state fiscal year, (vii) portfolio leverage ratio, and (viii)  
275 leverage ratio for housing development investments made in the  
276 preceding state fiscal year; and

277 (B) A production and preservation analysis, including (i) the total  
278 number of units created, itemized by municipality, for the total  
279 portfolio and projects receiving an assistance award in the preceding  
280 state fiscal year, (ii) the total number of elderly units created for the  
281 total portfolio and for projects receiving an assistance award in the  
282 preceding state fiscal year, (iii) the total number of family units created  
283 for the total portfolio and for projects receiving an assistance award in  
284 the preceding state fiscal year, (iv) the total number of units preserved,  
285 itemized by municipality, for the total portfolio and projects receiving  
286 an assistance award in the preceding state fiscal year, (v) the total  
287 number of elderly units preserved for the total portfolio and for  
288 projects receiving an assistance award in the preceding state fiscal  
289 year, (vi) the total number of family units preserved for the total  
290 portfolio and for projects receiving an assistance award in the  
291 preceding state fiscal year, (vii) an analysis by income group of  
292 households served by the department's housing construction,



293 substantial rehabilitation, purchase and rental assistance programs, for  
294 each housing development, if applicable, and for each program,  
295 including number of households served under each program by race  
296 and data for all households, and (viii) a summary of the department's  
297 efforts in promoting fair housing choice and racial and economic  
298 integration, including data on the racial composition of the occupants  
299 and persons on the waiting list of each housing project that is assisted  
300 under any housing program established by the general statutes or a  
301 special act or that is supervised by the department, provided no  
302 information shall be required to be disclosed by any occupant or  
303 person on a waiting list for the preparation of such summary. As used  
304 in this subparagraph, "elderly units" means dwelling units for which  
305 occupancy is restricted by age, and "family units" means dwelling  
306 units for which occupancy is not restricted by age.

307 (15) An economic impact analysis of the department's housing  
308 development efforts and activities, including, but not limited to:

309 (A) The contribution of such efforts and activities to the gross state  
310 product;

311 (B) The direct and indirect employment created by the investments  
312 for the total housing development portfolio and for any investment  
313 activity for such portfolio occurring in the preceding state fiscal year;  
314 and

315 (C) Personal income in the state.

316 (16) With regard to the Housing Trust Fund and Housing Trust  
317 Fund program, as those terms are defined in section 8-336m:

318 (A) Activities for the prior fiscal year of the Housing Trust Fund and  
319 the Housing Trust Fund program; and

320 (B) The efforts of the department to obtain private support for the  
321 Housing Trust Fund and the Housing Trust Fund program.

322 (17) With regard to the department's energy conservation loan



323 program:

324 (A) The number of loans or deferred loans made during the  
325 preceding fiscal year under each component of such program and the  
326 total amount of the loans or deferred loans made during such fiscal  
327 year under each such component;

328 (B) A description of each step of the loan or deferred loan  
329 application and review process;

330 (C) The location of each loan or deferred loan application intake site  
331 for such program;

332 (D) The average time period for the processing of loan or deferred  
333 loan applications during such fiscal year; and

334 (E) The total administrative expenses of such program for such  
335 fiscal year.

336 (18) An assessment of the performance of the Connecticut qualified  
337 biodiesel producer incentive account grant program established  
338 pursuant to sections 32-324a to 32-324e, inclusive.

339 (19) An assessment of the performance of the fuel diversification  
340 grant program established pursuant to section 32-324g.

341 (20) A summary of the total social and economic impact of the  
342 department's efforts and activities in the areas of economic,  
343 community and housing development, and an assessment of the  
344 department's performance in terms of meeting its stated goals and  
345 objectives.

346 (21) With regard to the Connecticut Credit Consortium established  
347 pursuant to section 32-9yy, a summary of the activity of such program,  
348 including, but not limited to, the number of loans and lines of credit  
349 applied for and approved, the size of the businesses, the amount of the  
350 loans or lines of credit, and the amount repaid to date.



351 (22) With regard to the office of the permit ombudsman, established  
352 pursuant to section 32-726:

353 (A) The names of applicants for expedited review;

354 (B) The date of request for expedited review;

355 (C) The basis upon which the applicant claimed eligibility for  
356 expedited review;

357 (D) State agencies that participated in the permit review process;

358 (E) The dates on which the permit was granted or denied via the  
359 expedited review process or the date the applicant was determined not  
360 to be eligible for expedited review; and

361 (F) If applicable, the reason the applicant was determined not to be  
362 eligible for the expedited review process.

363 Sec. 4. Subsection (c) of section 32-1o of the general statutes is  
364 repealed and the following is substituted in lieu thereof (*Effective*  
365 *October 1, 2011*):

366 (c) The strategic plan required under this section shall include, but  
367 not be limited to, the following:

368 (1) A review and evaluation of the economy of the state. Such  
369 review and evaluation shall include, but not be limited to, a sectoral  
370 analysis, housing market and housing affordability analysis, labor  
371 market and labor quality analysis, demographic analysis and historic  
372 trend analysis and projections;

373 (2) A review and analysis of factors, issues and forces that impact or  
374 impede economic development and responsible growth in Connecticut  
375 and its constituent regions. Such factors, issues or forces shall include,  
376 but not be limited to, transportation, including, but not limited to,  
377 commuter transit, rail and barge freight, technology transfer,  
378 brownfield remediation and development, health care delivery and



379 costs, early education, primary education, secondary and  
380 postsecondary education systems and student performance, business  
381 regulation, labor force quality and sustainability, social services costs  
382 and delivery systems, affordable and workforce housing cost and  
383 availability, land use policy, emergency preparedness, taxation,  
384 availability of capital and energy costs and supply;

385 (3) Identification and analysis of economic clusters and creative  
386 sectors, as defined in section 32-4e, as amended by this act, that are  
387 growing or declining within the state;

388 (4) An analysis of targeted industry sectors in the state that (A)  
389 identifies those industry sectors that are of current or future  
390 importance to the growth of the state's economy and to its global  
391 competitive position, (B) identifies what those industry sectors need  
392 for continued growth, and (C) identifies those industry sectors' current  
393 and potential impediments to growth;

394 (5) A review and evaluation of the economic development structure  
395 in the state, including, but not limited to, (A) a review and analysis of  
396 the past and current economic, community and housing development  
397 structures, budgets and policies, efforts and responsibilities of its  
398 constituent parts in Connecticut; and (B) an analysis of the  
399 performance of the current economic, community and housing  
400 development structure, and its individual constituent parts, in meeting  
401 its statutory obligations, responsibilities and mandates and their  
402 impact on economic development and responsible growth in  
403 Connecticut;

404 (6) Establishment and articulation of a vision for Connecticut that  
405 identifies where the state should be in five, ten, fifteen and twenty  
406 years;

407 (7) Establishment of clear and measurable goals and objectives for  
408 the state and regions, to meet the short and long-term goals established  
409 under this section and provide clear steps and strategies to achieve  
410 said goals and objectives, including, but not limited to, the following:



411 (A) The promotion of economic development and opportunity, (B) the  
412 fostering of effective transportation access and choice including the use  
413 of airports and ports for economic development, (C) enhancement and  
414 protection of the environment, (D) maximization of the effective  
415 development and use of the workforce consistent with applicable state  
416 or local workforce investment strategy, (E) promotion of the use of  
417 technology in economic development, including access to high-speed  
418 telecommunications, and (F) the balance of resources through sound  
419 management of physical development;

420 (8) Prioritization of goals and objectives established under this  
421 section;

422 (9) Establishment of relevant measures that clearly identify and  
423 quantify (A) whether a goal and objective is being met at the state,  
424 regional, local and private sector level, and (B) cause and effect  
425 relationships, and provide a clear and replicable measurement  
426 methodology;

427 (10) Recommendations on how the state can best achieve goals  
428 under the strategic plan and provide cost estimates for implementation  
429 of the plan and the projected return on investment for those areas;

430 (11) A review and evaluation of the operation and efficacy of the  
431 urban jobs program established pursuant to sections 32-9i to 32-9l,  
432 inclusive, enterprise zones established pursuant to section 32-70,  
433 railroad depot zones established pursuant to section 32-75a, qualified  
434 manufacturing plants designated pursuant to section 32-75c,  
435 entertainment districts established pursuant to section 32-76 and  
436 enterprise corridor zones established pursuant to section 32-80. The  
437 review and evaluation of enterprise zones shall include an analysis of  
438 enterprise zones that have been expanded to include an area in a  
439 contiguous municipality or in which there are base or plant closures;  
440 and

441 (12) Any other responsible growth information that the  
442 commissioner deems appropriate.



443 Sec. 5. Subsection (a) of section 4-124z of the general statutes is  
 444 repealed and the following is substituted in lieu thereof (*Effective*  
 445 *October 1, 2011*):

446 (a) The Office of Workforce Competitiveness, the Labor  
 447 Commissioner, the Commissioners of Economic and Community  
 448 Development, Education and Social Services, the Secretary of the  
 449 Office of Policy and Management and the Chancellor of the regional  
 450 community-technical colleges, in consultation with the superintendent  
 451 of the vocational-technical school system and one member of industry  
 452 representing each of the economic clusters and creative sectors  
 453 identified by the Commissioner of Economic and Community  
 454 Development pursuant to section 32-1m, as amended by this act, shall  
 455 (1) review, evaluate and, as necessary, recommend improvements for  
 456 certification and degree programs offered by the vocational-technical  
 457 school system and the community-technical college system to ensure  
 458 that such programs meet the employment needs of business and  
 459 industry, and (2) develop strategies to strengthen the linkage between  
 460 skill standards for education and training and the employment needs  
 461 of business and industry.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>October 1, 2011</i>	32-4e
Sec. 3	<i>October 1, 2011</i>	32-1m(a)
Sec. 4	<i>October 1, 2011</i>	32-1o(c)
Sec. 5	<i>October 1, 2011</i>	4-124z(a)



The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

### **OFA Fiscal Note**

#### **State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 12 \$</b>
Commission on Arts, Tourism, Culture, History and Film	GF - Potential Cost	\$0-\$40,000

Note: GF=General Fund

#### **Municipal Impact:** None

#### **Explanation**

The bill requires the Commission on Culture and Tourism (CCT) to perform an economic analysis of the creative economy in the state by February 1, 2012. The bill does not specify the extent or level of analysis that is required. If the analysis is performed by current staff, it will have no or minimal fiscal impact. If, however, a more detailed analysis is undertaken, such as a REMI (Regional Economic Models, Inc.)<sup>1</sup> economic model, it would result in estimated one-time FY 12 costs of up to \$40,000 for consultants.

The bill makes various other changes which result in no fiscal impact.

House "A" strikes the underlying bill and its associated fiscal impact. The amendment becomes the bill and its fiscal impact is discussed above.

#### **The Out Years**

There is no out year cost as the CCT is required to submit an economic analysis report by February 1, 2012.



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**OLR Bill Analysis****sHB 6050 (as amended by House "A")\******AN ACT CONCERNING THE DEVELOPMENT OF THE CREATIVE ECONOMY.*****SUMMARY:**

This bill requires the Connecticut Commission on Culture and Tourism (CCCT) to study and submit a report, by February 1, 2012, on the creative economy in Connecticut. A "creative economy" consists of a creative sector, workforce, and community, and means the result of financial transactions involving creative products, including creatively derived goods or services that have economic value.

The bill also requires the Department of Economic and Community Development (DECD) to identify and analyze "creative sectors" in both its annual report and the state's economic strategic plan, which is updated every five years. The annual report must include measures taken by the commissioner to encourage the growth of creative sectors. A "creative sector" is a grouping of individuals or enterprises that directly or indirectly produce or provide creatively derived goods or services. It includes advertising, architecture, arts and crafts, design, fashion, film, music, performing arts, publishing, research and development, software, toys and games, television and radio, and video games.

Lastly, the bill specifies that representatives from creative sectors are to recommend certain curricular changes in the state's vocational-technical (V-T) schools and community-technical colleges (CTC).

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<sup>1</sup> A REMI model predicts the economic and demographic effects of policy initiatives on a local economy.



\*House Amendment "A" eliminates a task force that was to study the creative economy and instead requires CCCT to perform its duties with some modifications. It also makes minor changes to the bill's definitions.

EFFECTIVE DATE: October 1, 2011, except the section requiring a report by CCCT, which is effective upon passage.

### **CREATIVE ECONOMY**

The bill requires CCCT to study Connecticut's creative economy, which includes a creative sector, workforce, and community. A "creative workforce" includes anyone who creates or invents something new, whether or not they are employed by a creative sector. A "creative community" is a geographic area with a concentration of creative workers, businesses, and organizations.

CCCT must:

1. perform an economic analysis of Connecticut's creative economy;
2. analyze how to brand the state as a leader in the creative economy;
3. examine the economic force of Connecticut's creative sectors;
4. foster and demonstrate the creative sectors, creative workforce, and creative communities and their ability to attract economic activity to the state;
5. develop education and career paths for the creative workforce in the state; and
6. explore methods for expanding the creative sectors, workforce, and communities in order to improve the creative economy and create more jobs in the state.

CCCT must report its findings and recommendations to the Higher



Education and Employment Advancement and Commerce committees by February 1, 2012.

## **RECOMMENDATIONS FOR CURRICULAR IMPROVEMENTS**

The bill requires the Office of Workforce Competitiveness (OWC) and various officials to consult with one industry member from each creative cluster in (1) reviewing, evaluating, and recommending improvements for certificate and degree programs at the V-T schools and the CTC to make sure they meet business and industry's employment needs and (2) developing ways to strengthen ties between (a) skill standards for education and training and (b) business and industry's employment needs.

The officials are the (1) Labor, DECD, Education, and Social Services commissioners; (2) Office of Policy and Management secretary; and (3) CTC chancellor. Under existing law, they and the OWC must consult with the superintendent of the V-T school system and with one member of industry from each "economic cluster." They must report annually to various legislative committees on (1) the CTCs' and V-T schools' implementation of any recommended programs or strategies to strengthen the linkage between their certificate and degree programs and business and industry's employment needs and (2) any V-T school or CTC certificate or degree program that does not meet current industry standards.

## **BACKGROUND**

### ***Legislative History***

The House referred the bill (File 177) to the Appropriations Committee, which reported a substitute that required DECD to perform the analysis with its own employees and within existing budgetary resources.

## **COMMITTEE ACTION**

Higher Education and Employment Advancement Committee

Joint Favorable Change of Reference



Yea 17 Nay 0 (02/22/2011)

Commerce Committee

Joint Favorable

Yea 11 Nay 6 (03/08/2011)

Appropriations Committee

Joint Favorable Substitute

Yea 38 Nay 10 (04/25/2011)